IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 236

BY RESOURCES AND CONSERVATION COMMITTEE

1	AN ACT
2	RELATING TO WATER; AMENDING SECTION 42-1760, IDAHO CODE, TO REVISE PROVI-
3	SIONS REGARDING THE WATER MANAGEMENT ACCOUNT.

- Be It Enacted by the Legislature of the State of Idaho:
 - SECTION 1. That Section 42-1760, Idaho Code, be, and the same is hereby amended to read as follows:
 - 42-1760. WATER MANAGEMENT ACCOUNT. (1) There is hereby created and established in the trust and agency fund the water management account. All moneys in the account are appropriated continuously to the water resource board to be used and administered by it for the purposes specified in subsection (2) of this section, and shall not be subject to the provisions of the standard appropriations act of 1945 or section 67-3516, Idaho Code. The state treasurer shall invest the idle moneys of the account, and the interest earned on such investments shall be retained by the account.
 - (2) The board may expend, loan, or grant moneys from the water management account for new water projects or the rehabilitation of existing water projects limited to the following purposes: reclamation, upstream storage, offstream storage, aquifer recharge, reservoir site acquisition and protection, water supply, water quality, recreation, and water resource studies, including feasibility studies for qualifying projects that conserve or increase water supply, improve drought resiliency, address water sustainability, or support flood management. The board shall have the authority to determine which water projects are undertaken pursuant to this section subject to the reporting requirements of subsection (3) of this section.
 - (a) Expenditures may be made from the account to provide public moneys for participation in any project constructed with funds from the water resource board revolving development account provided by section 42-1756, Idaho Code.
 - (b) Grants and loans may be made by the board from the account for any project in the public interest for the projects authorized by this section; no single <u>annual</u> grant shall exceed <u>fifty thousand dollars</u> (\$50,000) unless legislative approval has been obtained. <u>This provision shall not apply to projects selected by the board under paragraph</u> (c) of this subsection or for flood management grants as may be authorized by the board.
 - (c) Expenditures may be made from the account for include but are not limited to the state's participation in the costs of the following large water infrastructure projects:
 - (i) Costs associated with tThe construction of a raise of Anderson ranch dam, located on the south fork of the Boise river;
 - (ii) Costs associated with $t\underline{T}$ he Mountain Home air force base water delivery and treatment systems; and

- (iii) The enlargement or construction of new or existing surface storage reservoirs owned and operated by the United States bureau of reclamation or army corps of engineers identification, study, and construction of managed aquifer recharge sites above Milner dam to benefit existing water rights, including to meet the state's commitments under settlement agreements.
- (d) The selection of any new large water infrastructure Any project selected pursuant to paragraph (c) of this subsection must consider and protect all existing water rights and consider the effects of such projects on other water uses, such as water quality, fish and wildlife, and recreation, and hydropower, that provide economic value, stability, water sustainability, drought resiliency, and other benefits to the citizens of the state.
- (3e) Any large infrastructure project receiving any portion of the funds approved pursuant to subsection (2)(c) of this section shall require that Preference for the distribution of funds shall be given with at least fifty percent (50%) matching funds be provided by parties other than the state. In the event of in-kind contributions, the board shall determine the value of the in-kind contribution.
- (43) On or before the first day of each regular legislative session, the board shall submit to the legislature a report of any moneys expended or obligated and any work begun and/or completed in the prior or current fiscal year on a project selected pursuant to subsection (2) (c) of this section. relating to the prior and current fiscal year that includes the following information:
 - (a) A list of all projects considered by the board to receive funds from the water management account;
 - (b) A statement of all projects receiving moneys from the water management account, including:
 - (i) A description of how the project meets the purposes of the water management account, as identified in subsection (2) of this section;
 - (ii) A statement of all moneys expended or obligated from the water management account for the project; and
 - (iii) A status report on the project, including identification of work begun or completed and any anticipated further work within the next calendar year; and
 - (c) Any anticipated future projects for which funding may be requested from the water management account.
- This information shall also be included as part of the board's budget report to the joint finance-appropriation committee during each legislative session.
- $(5\underline{4})$ The director of the department of water resources shall assist the board in any way the board deems necessary to fulfill the policy and purpose of the water management account, including technical evaluation of proposed projects and coordination in state and federal agencies.